

*Housing a Complete Community:
Housing Chapter of the City's
Comprehensive Plan*

Adopted: August 12, 2019

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Glossary

Affordable Dwelling Unit Program – A housing unit for which the rental and/or sale price is regulated. ADUs are affordable rental and for-sale housing for income-eligible citizens. This program enables eligible non-homeowners the opportunity to purchase a home below market rate or to rent an apartment from a participating apartment complex at a rent below that of similar units at the complex.

Affordable Housing – Housing is considered to be affordable when the household pays no more than 30 percent of gross income for all housing costs including utilities. Target income groups for affordable housing are up to 80 percent of Area Median Income. Target income groups for affordable workforce housing are up to 120 percent of Area Median Income.

Affordable Market Rate Housing - Housing units with lower rent in the private market that do not receive City assistance and for which the owners have made no commitment to retain as affordable in the future. Housing is considered affordable when rent or mortgage, plus utilities, is no more than 30 percent of a household's gross income and is affordable to households with income up to 80 percent of the Area Median Income.

Area Median Income (AMI) – The midpoint of a region's income distribution. Half of households in a region earn more than the median and half earn less than the median. Falls Church is part of the Washington, D.C. metro region which includes more than twenty localities such as Fairfax County and Arlington County.

- **Low-Income** – Households whose incomes do not exceed 50 percent of the median income for the area with adjustments for smaller and larger families.
- **Moderate-Income** – Households whose incomes are from 51 to 80 percent of the median income for the area with adjustments for smaller and larger families.
- **Workforce-Income** – Households whose incomes are from 81 to 120 percent of the median income for the area with adjustments for smaller or larger families.

Committed Affordable Housing - Affordable housing that is (1) wholly owned by nonprofits, excepting any units that serve households with incomes below 80 percent of median family income; or (2) guaranteed by agreement with the federal, state, or City government to remain affordable to low and moderate income households for a specified period of time; or (3) whose owner received government subsidy to assist with the purchase/renovation/construction (e.g. Affordable Housing Fund loan).

Cost-Burdened Household – Defined by HUD as households that spend more than 30 percent of their income on housing and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

Introduction: Context and Vision

The Role and Importance of Housing

A home for all: housing is one of the most basic human needs. Housing provides shelter and security and serves many other roles. It nurtures human connections among family and neighbors; it offers opportunities for innovation and creativity in home maintenance; and for many it is a financial investment.

Attractive neighborhoods, historic districts, and a wide range of housing types and prices draw people to a community, support an inclusive community and are closely tied to a robust local economy.

Quality affordable housing is important in that it contributes to the well-being of households, often leads to better educational outcomes for children, and has a positive effect on health. Affordable housing is particularly important to economic development. Housing plays a role in where businesses decide to locate, and a lack of affordable housing can put a local economy at a competitive disadvantage. Unaffordable housing is linked to slower employment growth. Additionally, making it affordable for people to locate closer to their place of employment can reduce congestion on the roads and improve the quality of the region's air.

This chapter creates the framework for housing policies that will ensure that all residents, current and future, have the opportunity to live, work, and learn in Falls Church. Sustainable housing policies will create that opportunity.

Housing Issues and Community Pressures

A number of housing issues affect the City of Falls Church. These include the recent accelerated pace of development in commercial and residential areas; an increased demand for all types of homes and for public facilities, including parks and schools; the decreased affordability of housing; a loss of modest homes; and decreasing socioeconomic diversity.

Population and Housing Trends

Since 2010, the D.C. metro area's population has increased by nearly two percent annually to more than six million while the population of Falls Church has been growing at an annual rate of 2.6 percent. Over that time period the composition of households has changed. The region has experienced a relative increase in millennials and persons 55 years of age and older, a trend mirrored in Falls Church. Households regionally are generally smaller, with one in four composed of persons living alone.¹ One in three City residents live alone, likely due in part to the number of smaller one bedroom and studio homes.¹

At the same time, the region is experiencing a shortage of housing. The Metropolitan Washington Council of Governments reports that 100,000 homes are needed by 2045 to meet the regional demand.² The region's population is growing faster than the housing supply.

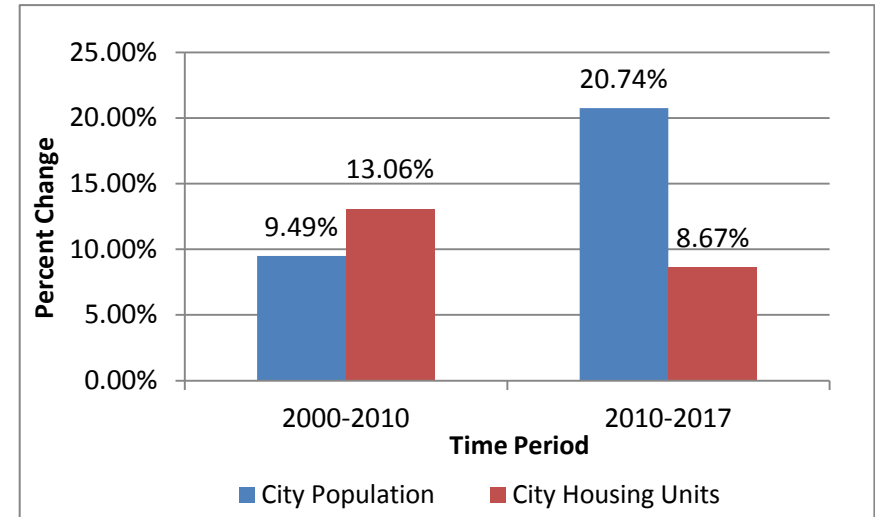
¹ *Demographic Trends Report*, Falls Church, Virginia, Lisa Sturtevant & Associates, September 2018.

² <https://www.mwcog.org/newsroom/2018/09/12/new-cog-analysis-recommends-increase-in-area-housing-production/>

The City has seen an increase in the number of multi-family homes. Meanwhile, the number of single-family attached and single-family detached homes has seen a more modest increase over the same time period. This is largely because most of the lots zoned for this kind of housing have already been developed.

The City has also experienced a trend in tearing down single-family homes, renovation or expansion of existing housing, and addition of single-family homes. Since 2006, 180 homes have been torn down and 66 net single-family dwellings were added to the City's housing stock.³

Figure 10-1: Growth in Population and Housing Stock



Source: American Community Survey, 2013-2017 and 2010 Census

³ "Single-Family Construction History," Fact Sheet prepared by Community Planning & Economic Development Services, City of Falls Church.

Vision

Create and maintain a diverse supply of housing that supports an inclusive and welcoming community. As the region continues to grow, work proactively to ensure affordable housing keeps pace with population increases and is available for a range of incomes, household sizes, generations, and needs.

Chapter Organization

The remainder of this chapter describes existing conditions in City housing of all types, and provides an evaluation of housing needs for the future and a set of strategies, policies, and actions to meet the vision.

How to Use This Chapter

The Comprehensive Plan serves as the official policy guide for shaping the future of the City. It establishes strategies for housing efforts and projects to achieve the City's vision. This chapter recognizes that implementation must remain flexible to changing conditions and that priorities will change. This chapter should be used as a framework for scheduling projects and documenting completed projects.

Specific location and design decisions are intended to be worked out on a project-by-project basis during implementation. Specific tasks in the Plan are scheduled in one of three timeframes: short term, medium term, and long term. Those terms refer to the following ranges:

| Timeframe | Expected Completion |
|-------------|---------------------|
| Short Term | 2019-2021 |
| Medium Term | 2022-2024 |
| Long Term | 2025 or later |



West Broad Residences



Pearson Square Apartments

Existing Conditions

The City's Housing History

Falls Church, first settled in 1699, has long been a crossroads of Rt. 7 and Rt. 29 and a clearly identifiable commercial and residential settlement. It boasts numerous historic residences and neighborhoods. Nearly 100 residences still stand that were built prior to 1911, including some dating to the Civil War or earlier. The residential areas along East Broad Street between Roosevelt Street and West Street provide an inviting avenue into the City, showcasing Falls Church's residential architecture. There are also many additional individual houses that were built between 1911 and 1951 that may be good examples of bungalow, Cape Cod, and other twentieth-century styles, but have not been evaluated due to the 1910 cut-off date in the city's Historic and Cultural Conservation District (HCCD) ordinance.

The eras of greatest residential subdivision growth in Falls Church were in the decade before World War II, as well as in the post-war period from 1948-1965. Notable among the City's 31 subdivisions with clear identity today are Broadmont, Falls Park, Village Ridge Hills, and Virginia Forest.

Between 1970 and 2000, the predominant form of new housing constructed within the City was townhouses. This was partially attributed to market demands but was also due to a shortage of vacant parcels in the City that were large enough to construct single-family detached subdivisions. The Cherry Hill Townhouses (194 homes) and Whittier Townhouses (75 homes) account for 52 percent of all townhouses in the City. Other townhouse

developments range in size from six units to thirty-four units on small infill sites.

The City's single family neighborhoods have evolved over time. As land values have risen and housing has aged, some owners have renovated or added to their homes; others have torn down existing homes and replaced them with larger structures or added a second structure. Sometimes this new construction has changed the neighborhood and resulted in a loss of tree canopy.

In recent decades, largely as a result of deliberate City policy to diversify the housing stock, multifamily buildings have supplemented the single-family detached housing. Since 2008 four new apartment complexes have been built: Lincoln at Tinner Hill, West Broad Residences, Northgate, and Pearson Square. These buildings account for most of the recent increase in rental homes. Three new condominium complexes have opened in the City since 2004: The Broadway, The Byron and Spectrum.

The City's Housing Stock

According to the Falls Church City Public Schools, the City contains 5,972 housing units. This figure is an increase of nearly 27 percent from the City's 4,704 units in 2002.

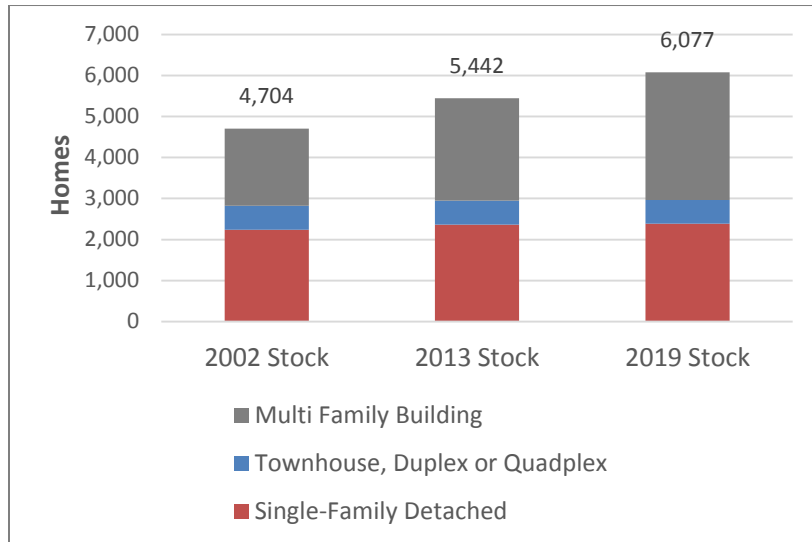
Of these homes, 50.3 percent are in multifamily buildings and 39.9 percent are single-family detached homes. Single-family attached homes (town houses and duplexes) account for the remaining 9.8 percent of housing units.

Figure 10-2: Housing Stock by Type

| Unit Type | 2002 Stock | 2013 Stock | 2019 Stock | Percent Change 2002-19 |
|-------------------------------|--------------|--------------|--------------|------------------------|
| Single Family Detached | 2,241 | 2,364 | 2,385 | 6.4% |
| Townhouse, Duplex or Quadplex | 582 | 582 | 582 | 0% |
| Multi Family Building | 1,881 | 2,496 | 3,110 | 65.3% |
| Total | 4,704 | 5,442 | 6,077 | 29.1% |

Source: Derived from data provided by the City of Falls Church Office of Real Estate Assessment; Single-family detached housing stock numbers are estimates as these numbers include all parcels in single-family zoned areas.

Figure 10-3 Housing Stock by Type



Age of Housing

More than 40 percent of housing structures were built nearly 60 or more years ago, and almost 71 percent of housing structures were built nearly 40 years ago.

The housing stock in Falls Church is older than in most jurisdictions in the region. For example, 29.1 percent of Falls Church housing has been built since 1980 compared to 52.7 percent in Fairfax County and 39.9 percent in Arlington County. Age of housing is one factor in the trend in renovations and tear-downs, as some homeowners seek to increase their homes' size and energy efficiency.

Figure 10-4: Age of Housing

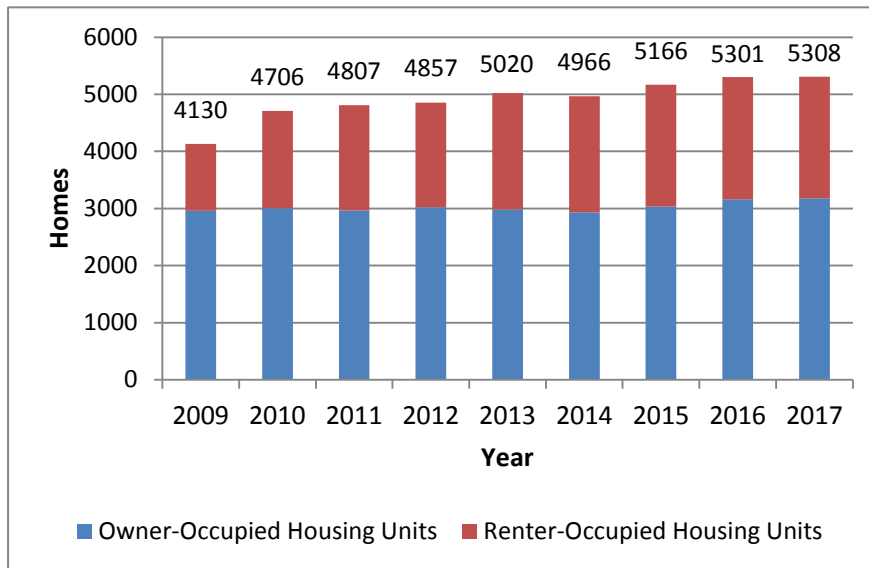
| Year Structure Built | Number of Homes | Percentage of Homes | Cumulative Percentage |
|----------------------|-----------------|---------------------|-----------------------|
| Before 1959 | 2,360 | 41.3% | 41.3% |
| 1960-1979 | 1,686 | 29.5% | 70.8% |
| 1980-1999 | 731 | 12.8% | 83.6% |
| 2000-2016 | 932 | 16.3% | 100.0% |
| Total | 5,709 | 100.0% | - |

Source: American Community Survey, 2012-2016.

Ownership vs. Rentals

The City's stock of rental housing has been increasing in recent years. Figure 10-5 below demonstrates that the number of owner-occupied homes in the City has remained relatively constant, while the number of renter-occupied homes has increased.

Figure 10-5: Renter Occupied vs. Owner Occupied Homes



Source: American Community Survey, 2012-2016

Housing Values and Rental Rates

Housing values in the City and the Washington, D.C., metro area have been steadily increasing for many years. In 2000, the median house price in the City was \$289,500. In 2010, the median house price was \$641,900. By 2016 the median house price increased to \$724,000.

The increase in median housing price from 2010 to 2016 was considerably higher in Falls Church than in neighboring jurisdictions. Falls Church also has considerably higher median house prices than other localities in the region.

For the City's population of renters the situation is similar. Since the year 2000, the median monthly rent increase has outpaced income growth. The number of homes available to households earning less than 100 percent of the AMI has decreased.

For more information about housing affordability in the City of Falls Church, see Appendix A.

Figure 10-6: Change in Median Home Prices

| Jurisdiction | Median Home Price 2010 (\$) | Median Home Price 2016 (\$) | Percent Change 2010-2016 |
|-------------------|-----------------------------|-----------------------------|--------------------------|
| Falls Church City | 641,900 | 724,000 | 11.3% |
| Alexandria City | 486,800 | 520,700 | 6.9% |
| Arlington County | 571,700 | 623,300 | 9.0% |
| Fairfax City | 488,900 | 487,700 | -0.2% |
| Fairfax County | 507,800 | 516,800 | 1.7% |
| United States | 188,400 | 184,700 | -1.9% |

Source: American Community Survey, 2012-2016

Affordable Housing

Market Rate Affordable Rentals

The City has seen a decline in the number of market rate affordable rental homes for households with incomes less than 60 percent of AMI (See Figure 10-9).⁴ The City has only 27 market rate affordable homes at 60 percent of AMI and only 111 market-rate affordable homes at 80 percent of AMI.

Committed Affordable Rentals

Some developments contain committed affordable rental homes through the City's Affordable Dwelling Unit (ADU) program, committed Teacher Workforce Units (TWUs), or a community partner. A description of each program can be found in Appendix B.

The breakdown of these homes can be seen in Figure 10-7. As shown in Figure 10-7, almost half of the City's committed affordable rental homes will expire by 2027 if no actions are taken.

In 2018, the City changed its policy to encourage ADUs to be maintained for the life of the building with the option to convert some or all units to cash to be used to support affordable housing elsewhere in the City (cash-in-lieu). Founders Row, Broad & Washington, and the West Falls Church Economic Development Project were approved with this provision. Founders Row will include 27 affordable housing units. The West Falls Church Economic Development Project and Broad & Washington will have 6

⁴Market rate affordable means that residents can afford housing without spending more than 30 percent of their gross monthly income at 60 percent of AMI (a yearly income of \$72,780 for a family of four in FY 2019).

percent of all residential units committed as ADUs. Approximately 42-71 ADUs may be added as part of the West Falls Church Economic Development Project with the option to provide cash-in-lieu. Approximately 18 ADUs may be added as part of the Broad and Washington development with the option to provide cash-in-lieu⁵.

A commitment to affordable housing is a community-wide commitment which recognizes that providing the building blocks for a successful, healthy life for some members of the community benefits the entire community and is worth the needed resources.



Read Building

⁵ Ranges of ADUs provided for the West Falls Church Economic Development Project and Broad & Washington are estimates as currently planned. These numbers are subject to change.

Figure 10-7: Committed Affordable Rental Homes

| Building | Studio | 1 Bed | 2 Bed | 3 Bed | Total | Type/ Partner | Expiration Date |
|------------------------|----------|------------|-----------|----------|------------|----------------------------------|-----------------|
| Fields | - | 42 | 47 | 7 | 96 | Wesley / Kettler | 2027 |
| Pearson Square | - | 7 | 8 | - | 15 | ADU | 2027 |
| Read Building | - | 9 | - | - | 9 | TWU | 2022 |
| Lincoln at Tinner Hill | - | 10 | 4 | - | 14 | ADU | 2035 |
| | - | - | 1 | - | 1 | CCAU ⁶ | 2035 |
| West Broad Residences | 2 | 10 | 6 | - | 18 | ADU | 2035 |
| Northgate | - | - | 7 | - | 7 | ADU | 2033 |
| Winter Hill | - | 80 | - | - | 80 | Falls Church Housing Corporation | n/a |
| Virginia Village | - | 4 | - | - | 4 | City owned | none |
| Total | 2 | 162 | 73 | 7 | 244 | | |

Source: Falls Church Housing and Human Services

Committed Affordable Ownership

The City had 25 ownership ADUs in 2012. That number has since decreased to 17 homes due to the expiring control periods. The breakdown of these homes can be seen in Figure 10-8.

⁶ City Committed Affordable Unit – this unit was acquired as an ADU but the City has committed to pay down the rent further to serve a household at 40% AMI.

Figure 10-8: Ownership ADUs

| Complex | Number of ADUs | Expiration Date |
|--------------|----------------|---|
| Byron | 4 | 2021, unless resold, then expiration is 15 years from new resale date. |
| Spectrum | 8 | 2023, unless resold, then expiration is 15 years from new resale date. |
| Whittier | 5 | 2048, if resold between 2028 and 2048, the owner shares equity of sale with City. |
| Total | 17 | |

Source: Falls Church Housing and Human Services

Figure 10-9: Change in Affordable Housing, 2012 – 2018

| Complex | 2012 Stock | 2018 Stock |
|--------------------------------------|------------|------------|
| Affordable Market Rate Rental Units | 224 | 27 |
| Affordable Committed Rental Units | 221 | 239 |
| Affordable Committed Ownership Units | 25 | 17 |
| Total | 470 | 283 |

Source: Falls Church Housing and Human Services

The City does not have public housing. The City participates in the HUD Housing Choice Voucher Program administered by the Fairfax County Redevelopment and Housing Authority. The program offers rental-housing subsidies to households with low and moderate incomes. Within Falls Church, several apartment complexes participate in the program. However, the waitlist for housing choice vouchers is extremely long and has been closed for years.

Life-Cycle Housing

For housing in Falls Church to be inclusive, it must accommodate all income levels and all stages of household formation. As discussed above, the City has apartments and condominiums for singles and small households, but few are affordable to those with limited incomes. The City has a supply of single-family homes, but most are very expensive.

The chart below records the average home sales price for different housing types in Falls Church. Using the Fannie Mae Home Counselor Affordability Analyzer, the minimum income required to buy the average property type is calculated. The minimum incomes required are quite high considering Housing and Urban Development (HUD) Area Median Income (AMI) limits. This shows that owning or renting a house in the City is very expensive and therefore an option only for higher income earners.

Figure 10-10: Income Needed to Purchase

| Home Type | 2018 Median Home Sales Price | Annual Income Needed to Purchase (\$) |
|------------------------------|------------------------------|---------------------------------------|
| Single-Family Detached Homes | \$899,500 | \$226,315 |
| Townhouses | \$815,000 | \$218,226 |
| Condominiums | \$400,000 | \$113,811 |

Source: Falls Church Real Estate Assessors Office and Fannie Mae Home Counselor Affordability Analyzer

Figure 10-11 details how much one would need to earn to rent an average apartment in the City of Falls Church for each home type. Three-bedroom apartment data is not applicable due to the scarcity of the home type in the City.

The State Council of Higher Education for Virginia published 2015 data that shows that the median salary for graduates of all colleges and universities in Virginia 18 months post-graduation is \$33,122. Most graduates from Virginia colleges will have to look outside of Falls Church for a place to begin their post-collegiate life.

Figure 10-11: Income Needed to Rent

| Home Type | Average Rent in City (\$) | Minimum Income Needed to Rent(\$) |
|-------------------|---------------------------|-----------------------------------|
| Efficiency/Studio | \$1490 | \$59,600 |
| One Bedroom | \$1612 | \$64,480 |
| Two Bedroom | \$2031 | \$81,240 |

Source: City of Falls Church Housing and Human Services 2018 Rent Survey



Lincoln at Tinner Hill Apartments

Housing for Seniors

In 2016, 12.4 percent of City residents were 65 or older. Seniors may live in a range of housing, from single-family detached to condos or apartments to assisted living.

The City has programs in place that help seniors stay in their homes as long as they desire, including Rent Relief and Real Estate Tax Relief programs that provide a rent subsidy or a reduction and/or deferral of property taxes for qualified applicants. In 2018, 75 seniors received tax relief from the program, with \$244,995 provided in real estate and personal property tax relief. Six seniors received rent relief with \$10,200 provided in relief.

Through agreements with the City, Sunrise Senior Living offers set-aside beds and The Kensington offers subsidized assisted living to low and moderate-income City residents or members of their immediate families.

At Winter Hill apartments, owned by FCHC Virginia Community Development Corporation, for seniors and persons with disabilities, the City uses federal funds to provide grants that assist in rehabilitation of the aging property. Almost all 80 residents of the property have housing choice vouchers, which assist in their housing costs. Between 2008 and 2018, the City provided over \$100,000 of funding to the rehabilitation effort.

The Urban Land Institute award-winning Railroad Cottages of Falls Church provide persons 55 or older another housing option. They are small-scale homes with small yards, master bedrooms on the first floor, and a community facility. They seek to provide a neighborly community with shared amenities while also leading the



Winter Hill Apartments

way in energy efficiency, using geothermal and solar energy sources. (The Railroad Cottages are not intended to be an affordable housing option.)

The City has approved the development of residences for persons 55 or older at Founders Row and the West Falls Church Economic Development Project.



Railroad Cottages of Falls Church rendering

Housing for People with Disabilities or Special Needs

Persons with disabilities may live in a range of housing, from single-family detached to condos or apartments to assisted living.

The Fairfax-Falls Church Community Services Board (CSB) Housing Partnerships office collaborates with public and private partners to design, preserve, construct and manage a variety of housing opportunities and supportive services for adults with developmental disabilities, serious mental illness, and/or substance use disorders. Residential support services are based on individual needs and preferences in a variety of settings.

In an effort to increase housing for City residents with disabilities, the City partnered with a local non-profit to construct, develop and operate a group home for five adult individuals with disabilities. The group home, Miller House, is located on land which had been City owned since 1973 and has since been transferred to the non-profit. City residents receive priority for placement in the home. The Fairfax/Falls Church CSB makes the referral for residents of the home.

As part of the partnership with the Fairfax-Falls Church CSB, individuals can be placed in the Miller House or in a group home in Fairfax County. The demand for this housing exceeds the supply.



The Miller House

Homelessness

The City of Falls Church contracts with the Fairfax County Department of Human Development (DHD) for homeless services. Under this arrangement all emergency shelter and transitional housing services available to Fairfax County residents, with the exception of three transitional housing homes administered by the Department of Housing and Community Development, are available to City residents. One shelter operates within the City and has 12 beds – ten for men and two for women. This shelter is open from November through March. At the end of 2018, the annual point in time survey showed that on the day of the survey two homeless people in the City were not in shelters.



Friends of Falls Church Homeless Shelter

The City also leases a four-home apartment building to a local non-profit, which provides transitional housing and services to formerly homeless families.

Evaluation of Housing Needs

The following evaluation of needs is based on projections included in the demographics chapter of this comprehensive plan (updated 2019). The evaluation of needs takes into consideration federal and state requirements related to housing equity.

Federal Housing Requirements

The Fair Housing Act of 1968 prohibits the discrimination in the sale, rental, or financing of housing based on race, color, religion, sex, handicap, family status, or national origin. Through its membership in the Northern Virginia Community Housing Resources Board (CHRB), the City educates the public and housing industry on fair housing issues.

The Fair Housing Act prohibits state and local land use and zoning laws, policies, and practices that discriminate based on any characteristic protected under the Act. Prohibited practices include making unavailable or denying housing types because of a protected characteristic. Housing includes not only buildings intended for occupancy as residences, but also vacant land that may be developed into residences.⁷

The City has a Fair Housing Ordinance that offers protection to the same classes of persons protected by state and federal laws. The City participates in a regional fair housing testing program through a contract negotiated by the Northern Virginia Regional Commission (NVRC). Fair housing testing is completed biannually. The Housing

⁷ “State and Local Land Use Laws and Practices and the Application of the Fair Housing Act,” U.S. Department of Housing and Urban Development and U.S. Department of Justice, November 16, 2016.

Commission is charged by ordinance to review all fair housing complaints.

State Housing Requirements

Section 15.2-2223 of the Code of Virginia requires that localities’ comprehensive plans designate areas for different kinds of residential housing, including age-restricted housing. Comprehensive plans are also required to designate areas for the construction, rehabilitation, and maintenance of affordable housing “sufficient to meet the current and future needs of residents of all levels of income in the locality.”⁸

Future Demand, Amount of Housing

Between 2020 and 2045, the City’s supply of and demand for housing are projected to grow as shown in Figure 10-12. This represents an increase of approximately 661 to 717 homes every five years. This is fairly consistent with the recent pace of residential development in the City. These new units will likely be built in the City’s Revitalization Districts, particularly the West End and West Broad.

⁸ Code of Virginia, Section 15.2-2223

Figure 10-12: Projection of Future Housing Units

| Year | Approx. Housing Unit Increment | Approx. Total Units in City |
|------|--------------------------------|-----------------------------|
| 2015 | - | 5,384 |
| 2020 | 524 | 5,908 |
| 2025 | 892 - 953 | 6,800 - 6,861 |
| 2030 | 880 - 920 | 7,680 - 7,781 |
| 2035 | 593 - 612 | 8,273 - 8,393 |
| 2040 | 494 - 528 | 8,767 - 8,921 |
| 2045 | 444 - 570 | 9,211 - 9,491 |

Source: Lisa Sturtevant & Associates

Future Demand, Household Size

Over the last five years, Falls Church has experienced several changes in household composition, including more people living alone (up 20 percent), more millennials (up about 10 percent), more persons 55 and older (up 23.5 percent), and fewer households with children (down 5 percent). If these trends continue, there will be greater need for diversity of housing types.

Household composition is influenced by the available housing stock. For example, the rise in households of people living alone occurred at the same time as the rise in one-bedroom apartment construction in mixed-use projects. To house a complete community and respond to regional demographic trends, the City will need to take action to incentivize homebuilders to provide a range of housing, from small apartments and condos to small single-family homes, quads, and townhouses.

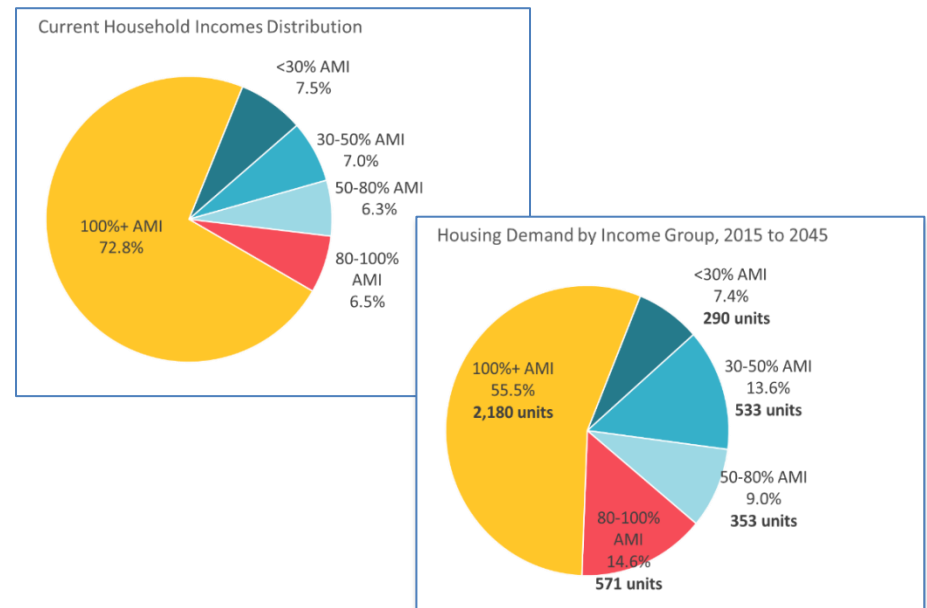
One of the City's most needed home types is large rental apartments. The City needs more two bedroom rental homes and is severely underserved in three bedroom rental homes. The city does not have any three bedroom rental ADU units, making it virtually

impossible for low-to-moderate income large families to live in the City.

Future Demand, Housing Cost

According to analyses in Chapter 2 of the City's Comprehensive Plan⁹, housing prices of existing homes are higher than what can be afforded by typical incomes in the region, see Figure 10-13. Future demand for housing can be expected to sync with typical incomes for the region. To meet this demand, the City will need to emphasize strategies that maintain and increase the availability of housing affordable to a range of income levels.

Figure 10-13: 2018 Household Incomes Distribution & Projected Future Housing Demand by Income Group



⁹ Draft Chapter 2 of Comprehensive Plan: Demographics, Lisa Sturtevant and Associates

As can be seen in Figure 10-13, the City will need to add an estimated 1,747 homes under 100 percent AMI by 2045 to meet anticipated housing demand. This includes 290 homes below 30 percent AMI. This addition will be the biggest challenge, as the City currently serves only approximately 83 homes at this income, all of which are through the Housing Choice Voucher program. With very little available developable land for additional detached single-family homes, most of these new homes will be in multi-family developments. The City will need to consider ways to allow for this growth in density. Permitting accessory dwelling units may be another solution for the City to consider.

Implementation







Strategies







The following strategies are designed to achieve the Vision statement presented earlier in the chapter. The specific actions that follow are organized by these strategies.








1. Incentivize the maintenance and provision of more workforce, moderate-, and low-income housing.
2. Increase entry-level homeownership opportunities.
3. Support aging in place.
4. Revise development regulations to allow a wider variety of housing types.
5. Create policies that encourage the preservation of existing housing stock and tree canopy.
6. Provide housing for people with disabilities.
7. Promote fair access to housing.
8. Monitor regional and local housing markets to identify pressures and opportunities.
9. Partner with neighboring jurisdictions, non-profits, faith groups, and regional agencies to bring more affordable housing to the City.








Actions

ions

| Project / Policy / Action | Strategies | Workforce, moderate, and low-income housing | Entry-level homeownership | Aging in Place | Variety of Housing Types | Preserve existing housing stock & tree canopy | People with Disabilities | Fair Access | Monitor Housing Markets | Partnership |
|--|------------|---|---------------------------|----------------|--------------------------|---|--------------------------|-------------|-------------------------|-------------|
| | | | | | | | | | | |
| UNDERWAY | | | | | | | | | | |
|  Amend the Zoning Ordinance to allow for more forms of housing (such as granny flats, accessory dwelling units, duplexes, and quadplexes). | | ✓ | ✓ | ✓ | ✓ | | | | | |
|  Evaluate and update parking minimums and other development regulations that affect the cost of multi-family developments. | | ✓ | ✓ | | ✓ | | | | | |
|  Provide tax relief and rent relief for low-to moderate-income seniors and persons with disabilities. | | | | ✓ | | | ✓ | | | |
| SHORT TERM (2019 - 2021) | | | | | | | | | | |
|  Conduct a feasibility study to gauge the public cost of maintaining existing market-rate and affordable housing, such as The Fields Apartments. | | ✓ | | | | ✓ | | | | |
|  Develop a sustainable and renewable Affordable Housing Fund, through a mix of City, private, and grant funds, including a potential increase to the meals tax, transient occupancy tax, or general obligation bonds. | | ✓ | ✓ | | | | | | | |
|  Establish targets for the number of housing options available for households at or below 50% AMI, 50-80% AMI, and up to 120% AMI. | | ✓ | ✓ | | ✓ | | | ✓ | ✓ | |

| Project / Policy / Action | Strategies | | | | | | | | | |
|---|------------|---|---------------------------|----------------|--------------------------|---|--------------------------|-------------|-------------------------|-------------|
| | | Workforce, moderate, and low-income housing | Entry-level homeownership | Aging in Place | Variety of Housing Types | Preserve existing housing stock & tree canopy | People with Disabilities | Fair Access | Monitor Housing Markets | Partnership |
|  Update the Zoning Ordinance to enable more in-place additions as an alternative to tear-downs in areas, like Greenway Downs, that frequently require special permits (i.e. variances) for modest additions. | | | | ✓ | | ✓ | | | | |
|  Develop an Affordable Housing Action Plan. | | ✓ | ✓ | | ✓ | | | | ✓ | ✓ |
|  Prioritize ADUs when negotiating voluntary concessions in special exceptions. | | ✓ | | | | | | | | |
| MEDIUM TERM (2022 - 2024) | | | | | | | | | | |
|  Conduct a study to assess the feasibility of constructing a stand-alone affordable housing development. | | ✓ | | | | | | | ✓ | ✓ |
|  Provide rental assistance through City-sponsored vouchers for low-income individuals. | | ✓ | | | | | | | | |
|  Establish an energy-efficiency program to lower utility bills for homeowners of low and moderate income. | | ✓ | | | | | | | | |

| Project / Policy / Action | Strategies | | | | | | | | | |
|---|------------|---|---------------------------|----------------|--------------------------|---|--------------------------|-------------|-------------------------|-------------|
| | | Workforce, moderate, and low-income housing | Entry-level homeownership | Aging in Place | Variety of Housing Types | Preserve existing housing stock & tree canopy | People with Disabilities | Fair Access | Monitor Housing Markets | Partnership |
|  Expand First Time Homebuyer Program to provide assistance in the form of revolving down payment loans. | | ✓ | ✓ | | | | | | | |
|  Require at least one universally accessible affordable home to be built at all new housing developments. | | | | | | ✓ | | | | |
|  Inform residents about the importance of the City's historic neighborhoods and historic residential properties through public information programs, including enhancement of the City's website, and encourage development of walking tours and other educational measures by non-profit groups and civic associations. | | | | | ✓ | | | | | |
|  Establish incentives that encourage people to stay in their homes e.g. tax rebates, home repair or renovation assistance. | | | ✓ | | | | | | | |
|  Provide local funding for a public-private partnership to preserve existing market-rate affordable housing units, e.g. The Fields or Merrill House. | | ✓ | ✓ | | ✓ | | | | | |
|  Establish a neighborhood gateway program that includes signage that highlights subdivision names as well as new landscaping. | | | | | ✓ | | | | | |
|  Establish incentives for mature-tree preservation on single-family residential teardowns and rebuilds. | | | | | ✓ | | | | | |

| Project / Policy / Action | Strategies | | | | | | | | | |
|--|------------|---|---------------------------|----------------|--------------------------|---|--------------------------|-------------|-------------------------|-------------|
| | | Workforce, moderate, and low-income housing | Entry-level homeownership | Aging in Place | Variety of Housing Types | Preserve existing housing stock & tree canopy | People with Disabilities | Fair Access | Monitor Housing Markets | Partnership |
| LONG TERM (2025 or later) | | | | | | | | | | |
|  <div>Review the City's Zoning and Historic Preservation Ordinances for ways to support and strengthen retention of historic residential properties in areas most vulnerable to future redevelopment or zoning changes.</div> | | | | | ✓ | | | | | |
|  <div>Utilize civic associations to increase social connectivity.</div> | | | | | ✓ | | | | | |
|  <div>Build a stand-alone affordable housing development.</div> | ✓ | | | | | | | | ✓ | |
| ONGOING | | | | | | | | | | |
|  <div>Along with other localities, advocate for legislation to add source of income to Fair Housing regulations.</div> | | | | | | | ✓ | | | |
|  <div>Offer Fair Housing training to all City landlords and property managers.</div> | | | | | | | ✓ | | | |
|  <div>Create incentives for developers to provide more affordable housing, i.e., through increased building heights.</div> | ✓ | ✓ | | ✓ | | | | | | |
|  <div>Conduct fair housing testing biennially.</div> | | | | | | | ✓ | | | |

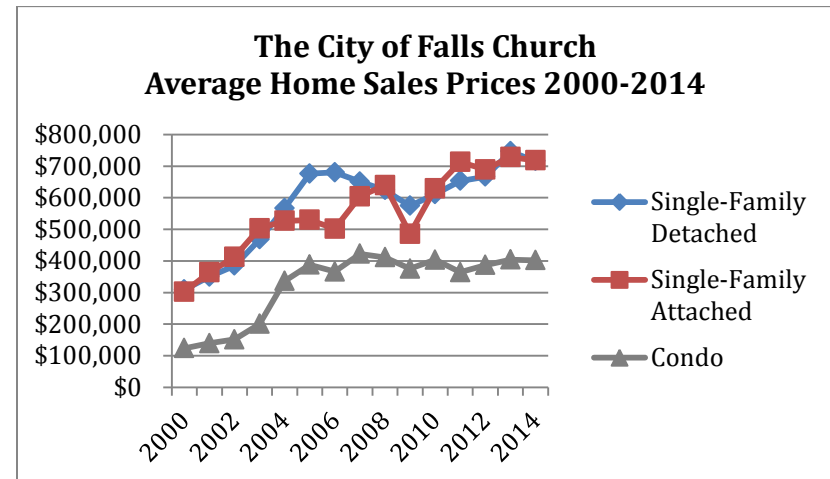
APPENDIX A: Affordability in the City of Falls Church

In 2017, *Forbes Magazine* dubbed Falls Church as the nation's "second richest county" and in 2018, *U.S. News* dubbed Falls Church America's healthiest community.

The larger economic trends that have brought high income households to the Northern Virginia region have certainly had an effect on the City. It may seem, for the City, the increased income associated with the area's post-recession economic recovery will lift all residents, but this chapter points to some trends that suggest otherwise. Since the year 2000, Falls Church has seen a 276 percent increase in the number of households that earn above \$200,000, which places it between Arlington County (313 percent increase) and Fairfax County (210 percent increase) for the Northern Virginia region. Unfortunately, the effect this has had on lower-income households and their ability to afford housing has hit Falls Church the hardest. The number of households earning under \$100,000 a year decreased by 82 percent in Falls Church; Arlington and Fairfax Counties saw decreases of 65 percent and 75 percent, respectively. For the most vulnerable populations, living in Falls Church is becoming increasingly out of reach.

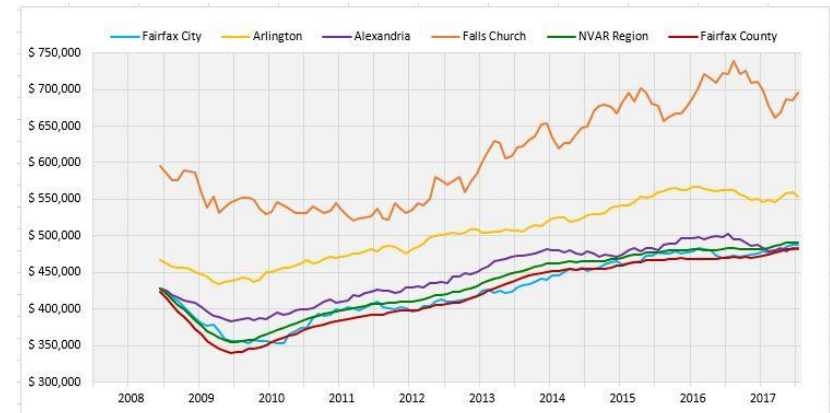
Falls Church real estate is disproportionately higher-valued than other areas in the region. Fairfax County had a median sales price in the first quarter of 2016 of \$450,000, Fairfax City \$451,000, and Alexandria City \$475,000. Like the changes expressed in household income figures, the home sale figures represent a rapidly-changing demographic for the City. In 2002, the City sold its first million-

dollar residential property; by 2014 one out of every five properties sold for over that threshold.



Source: Metropolitan Regional Information Systems (MRIS)

Comparing Neighbors Median Home Sale Price



Source: Northern Virginia Realtors, Home Sales Prices Continue to Skyrocket, May 2018

While the median income rose 60 percent during that same time, it can be seen that property values, along with the associated costs of purchasing and maintaining the property, have far outpaced household income.

Average Rent of Unsubsidized Units in City by Bedroom Size 2000 and 2015

| UNIT SIZE | AVERAGE RENT IN 2000 | AVERAGE RENT IN 2015 | PERCENT INCREASE |
|-------------------|----------------------|----------------------|------------------|
| Efficiency/Studio | \$755 | \$1,490 | 97% |
| 1 Bedroom | \$940 | \$1,612 | 71% |
| 2 Bedroom | \$1,120 | \$2,031 | 81% |

Source: City of Falls Church Bi-Annual Apartment Rental List, April 2015; June 2000

There has been a significant loss of homes affordable to households that earn up to 80 percent of the 2015 AMI, or \$61,152 for a household of one person.

APPENDIX B: Housing Initiatives and Programs

Since 2002, the City has allowed for mixed-used (residential/commercial) development in areas zoned for commercial use. This process allows for the negotiation of voluntary concessions including affordable dwelling units or cash contributions to the City's Affordable Housing Fund. Affordable dwelling units have been delivered through this process.

The City also has a Real Estate Tax and Rent Relief program that provides rent relief or a reduction and/or deferral of property taxes for qualified applicants. The Real Estate Tax Relief Program has provided \$1,052,343 in relief to 271 households between 2014 and 2017. The Rent Relief Program has provided \$54,016 in aid to 34 households between 2014 and 2018.

Each year the City has allocated CDBG funds to assist families with low and moderate incomes in the rehabilitation of their homes. Between the years of 2009 and 2016, the City expended \$427,262 in CDBG funds to improve housing and human service programs in the City. Rehabilitation of homes should encourage the use of environmentally sustainable designs and practices where feasible.

The ADU program was established in 2002 and allows developers to offer committed affordable rental homes to the City in a voluntary concession agreement. Usually, new developers offer about six percent of their total homes to be included into the ADU program. The City currently has 54 ADU homes at four developments and will be adding more in the near future with a number of new developments on the horizon.

The City also has 9 committed affordable TWUs at the Read Building that remain affordable for Falls Church City Public School teachers. These homes were offered by the developer, the Young Group, as one of its missions is affordable workforce housing.

The third method the City uses to maintain committed affordable rates is to work with community partners. The City has two examples of this. Wesley Properties used tax credits to create committed affordable rental units at The Fields for people earning less than 60 percent AMI. The Fields has 96 homes that are committed affordable through 2026. The City is working with Wesley Properties to find a solution that allow The Fields to stay committed affordable past that year. Additionally, the City works with the housing non-profit the NHP Foundation to keep Winter Hill Apartments committed affordable for seniors and disabled persons. Winter Hill has a total of 80 homes that are committed affordable rentals. Most residences of Winter Hill Apartments hold HUD Housing Choice Vouchers.

APPENDIX C: Planning Process and Public Engagement

This chapter was developed with significant public input and collaboration. Regular announcements regarding the planning effort were posted to the City's eFocus tool, on the City's website, and in *The Falls Church News-Press*. The plan was developed and refined with community input during the public meetings listed in table to the right.

Information outreach was conducted using the following tools:

- Announcements about community meetings using
 - eFocus , the City's electronic newsletter
 - City website homepage
 - City's Facebook account
 - City's Twitter account
 - *Falls Church News-Press*
- Regular updates of project status and materials on the project webpage

| Date | Groups | Event |
|-------------------|---------------------------|--------------------|
| June 18, 2018 | Planning Commission | Work Session |
| July 16, 2018 | City Council | Work Session |
| July – Sept. 2018 | General Public | Community Meetings |
| July 2018 | General Public | Survey |
| April 15, 2019 | Planning Commission | Work Session |
| April 18, 2019 | Arts & Humanities Council | Work Session |
| May 1, 2019 | Recreation & Parks | Work Session |

| Date | Groups | Event |
|------------------------|---|--------------------|
| May 8, 2019 | Citizens Advisory Committee on Transportation | Work Session |
| May 9, 2019 | Village Preservation and Improvement Society | Work Session |
| May 16, 2019 | Chamber of Commerce | Work Session |
| May 16, 2019 | Housing Commission/ Human Services Advisory Council | Work Session |
| May 20, 2019 | City Council | Work Session |
| May 29 – June 10, 2019 | General Public | Survey |
| May 23, 2019 | Historical Commission / Historic Architectural Review Board | Work Session |
| June 4, 2019 | Economic Development Authority | Work Session |
| June 5, 2019 | Architectural Advisory Board | Work Session |
| June 6, 2019 | Environmental Sustainability Council | Work Session |
| June 8, 2019 | General Public | Work Session |
| June 10, 2019 | Tree Commission | Work Session |
| June 17, 2019 | City Council | Work Session |
| July 1, 2019 | Planning Commission | Action |
| July 9, 2019 | Housing Commission | Work Session |
| July 15, 2019 | City Council/Planning Commission | Joint Work Session |
| August 5, 2019 | Planning Commission | Action |
| August 12, 2019 | City Council | Action |

APPENDIX D: Plan Approval

Planning Commission Approval and Recommendation

Following a public hearing, the Planning Commission approved the following resolution unanimously (4-0) at their August 5, 2019 meeting.

RESOLUTION RECOMMENDING APPROVAL OF AN AMENDMENT TO THE 2005 COMPREHENSIVE PLAN TO UPDATE AND REPLACE CHAPTER 10, "HOUSING" WITH "HOUSING A COMPLETE COMMUNITY: HOUSING CHAPTER OF THE CITY'S COMPREHENSIVE PLAN"

WHEREAS, the Virginia Code, section 15.2-2223 requires that the City have a comprehensive plan for the City that considers, among other things, the needs of the residents of the City, and consideration of those needs requires an understanding of the existing housing stock and future housing demand; and

WHEREAS the Virginia Code, section 15.2-2223 also requires that the City have a comprehensive plan that includes a designation of areas and implementation of measures for the construction, rehabilitation, and maintenance of affordable housing to meet the City's current and future needs of residents at all income levels; and

WHEREAS, Chapter 10 of the City's Comprehensive Plan, "Housing a Complete Community" will replace the existing chapter "Housing" and will provide the City Council and City Staff with updated, valuable information regarding the housing needs of the City on which to base planning decisions; and

WHEREAS, Section 17.04 of the City Charter makes the Planning Commission responsible for preparation of the City's Comprehensive Plan; and

WHEREAS, Section 17.06 of the City Charter enables the Planning Commission to prepare and adopt individual components of the Comprehensive Plan; and

WHEREAS, Section 15.2-2228 of the State Code also gives the City Council the authority to grant final approval to Comprehensive Plan changes previously approved by the Planning Commission; and

WHEREAS, "Housing a Complete Community" was developed with substantial public engagement that included community meetings, a survey, and review by the City's advisory boards and commissions; and

WHEREAS "Housing a Complete Community" identifies strategies and actions to implement the "Falls Church 2040" vision and the new chapter vision.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Falls Church, Virginia, that Chapter 10, "Housing a Complete Community: Housing Chapter of the City's Comprehensive Plan," which is attached hereto is hereby adopted by the Planning Commission as an updated and revised "Housing Chapter" of the City's Comprehensive Plan, replacing the version that was adopted on October 24, 2005 as part of the 2005 Comprehensive Plan.

City Council Approval

Following a public hearing, the City Council approved the following resolution unanimously (5-0) at their August 12, 2019 meeting.

RESOLUTION TO AMEND THE 2005 COMPREHENSIVE PLAN TO UPDATE AND REPLACE CHAPTER 10, "HOUSING" WITH "HOUSING A COMPLETE COMMUNITY: HOUSING CHAPTER OF THE CITY'S COMPREHENSIVE PLAN"

WHEREAS, Virginia Code Section 15.2-2223 requires that the City have a comprehensive plan for the City that considers, among other things, the needs of the residents of the City, and consideration of those needs requires an understanding of the existing housing stock and future housing demand; and

WHEREAS the Virginia Code, section 15.2-2223 also requires that the City have a comprehensive plan that includes a designation of areas and implementation of measures for the construction, rehabilitation, and maintenance of affordable housing to meet the City's current and future needs of residents at all income levels; and

WHEREAS, Virginia Code section 15.2-2223 also provides that the comprehensive plan is general in nature and is designed to guide and accomplish a coordinated, adjusted and harmonious development of the city which will, in accordance with present and probable future needs and resources, best promote the health, safety, morals, convenience, prosperity and general welfare of the City and its inhabitants; and

WHEREAS, Chapter 10 of the City's Comprehensive Plan, "Housing a Complete Community" will replace the existing chapter "Housing" and will provide the City Council and City Staff with updated, valuable information regarding the housing needs of the City on which to base planning decisions; and

WHEREAS, Section 17.06 of the City Charter gives the City Council the authority to grant final approval to Comprehensive Plan changes previously approved by the Planning Commission; and

WHEREAS, Section 15.2-2228 of the State Code also gives the City Council the authority to grant final approval to Comprehensive Plan changes previously approved by the Planning Commission; and

WHEREAS, following a properly advertised public hearing held on August 5, 2019, the Planning Commission unanimously adopted "Housing a Complete Community" and recommended final approval by Council; and

WHEREAS, "Housing a Complete Community" was developed with substantial public engagement that included community meetings, a survey, and review by the City's advisory boards and commissions; and

WHEREAS, "Housing a Complete Community" identifies a new chapter vision which supports and advances the City's "Falls Church 2040" vision; and

WHEREAS "Housing a Complete Community" identifies strategies and actions that could be pursued to implement the "Falls Church 2040" vision and the new chapter vision;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Falls Church, Virginia that Chapter 10, "Housing a Complete Community: Housing Chapter of the City's Comprehensive Plan," is hereby adopted by the City Council as an updated and revised "Housing Chapter" of the City's Comprehensive Plan, replacing the version that was adopted on October 24, 2005 as part of the 2005 Comprehensive Plan.



The City of Falls Church is committed to the letter and spirit of the Americans with Disabilities Act. To request a reasonable accommodation for any type of disability, call 703-248-5027 (TTY 711). For more information call 703-248-5178.